

AMENDED IN ASSEMBLY JUNE 2, 2003

AMENDED IN ASSEMBLY MAY 7, 2003

AMENDED IN ASSEMBLY APRIL 23, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1453

Introduced by Assembly Members Parra, Berg, and Daucher

February 21, 2003

An act relating to long-term care.

LEGISLATIVE COUNSEL'S DIGEST

AB 1453, as amended, Parra. Long-term care: resources.

Existing law establishes a variety of programs relating to long-term care services, including the licensure and regulation of community care facilities and residential care facilities for the elderly by the State Department of Social Services, the licensure of *skilled* nursing facilities by the State Department of Health Services, and the provision of in-home and community-based services.

This bill would require the California Health and Human Services Agency to submit to the Legislature, by January 1, 2005, a report containing, *among other things*, recommendations regarding the application of a “Money Follows the Individual” program that would provide resources for individuals in need of long-term care to exercise choice in determining the type of long-term care setting that best fits their needs, to reside in the community, rather than in institutions, and to receive community-based services.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) In April 2003, the California Health and Human Services
4 Agency submitted its Olmstead Plan that describes the actions that
5 California can take to improve its long-term care system so that its
6 residents have available an array of community care options that
7 allow them to avoid unnecessary institutionalization.

8 (b) One component of California's Olmstead Plan is a policy
9 goal to develop a "Money Follows the Individual" model to
10 provide resources for individuals to live in the community, rather
11 than in an institution.

12 (c) Texas and other states have adopted a "Money Follows the
13 Individual" model, which provides purchasing credits for
14 individuals currently residing in nursing facilities in order to give
15 them the choice to move to community-based facilities, including
16 residential care facilities for the elderly, and to receive
17 community-based services.

18 (d) Through the use of purchasing credits, consumers are able
19 to exercise choice in determining which setting best fits their
20 needs.

21 SEC. 2. It is the intent of the Legislature to enact legislation
22 to do both of the following:

23 (a) Require the development of options that would allow
24 seniors and persons with disabilities maximum choice in
25 determining their living arrangements, including the choice to
26 remain in the least restrictive and most homelike environment as
27 they age or become frail, in response to the decision of the United
28 States Supreme Court in *Olmstead v. L. C.* by Zimring (1999) 527
29 U.S. 581.

30 (b) Ensure that seniors and persons with disabilities have
31 access to appropriate health care and personal assistance,
32 regardless of their income level, health status, or choice of housing
33 arrangement.

34 SEC. 3. (a) By January 1, 2005, the California Health and
35 Human Services Agency shall submit to the Legislature a report
36 containing recommendations regarding the application of a
37 "Money Follows the Individual" program that would provide
38 resources for individuals in need of long-term care in order to



1 exercise choice in determining the type of long-term care setting
2 that best fits their needs, to reside in the community, rather than in
3 institutions, and to receive community-based services.

4 *(b) The report specified in subdivision (a) shall be included as*
5 *a chapter in the update to the Olmstead Plan required by Section*
6 *96 of Chapter 1161 of the Statutes of 2002, and shall include all*
7 *of the following:*

8 *(1) A review of the experiences of other states that have*
9 *administered a “Money Follows the Individual” program.*

10 *(2) A review of the need for federal waivers and the timeline for*
11 *submitting these waivers.*

12 *(3) A review of payment options available to residents of skilled*
13 *nursing facilities.*

14 *(4) An estimate of the number of individuals that may be*
15 *eligible for a “Money Follows the Individual” program and the*
16 *potential savings to the state if this type of program was*
17 *implemented.*

